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REVCLT
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1950.

File No. R 39 II
Part V (A)

Karnatak
B Class

Rehabilitation **DEPARTMENT**

B. **BRANCH**

E.R.S. Dep. No. 4
57

Subject:— Loans

Applications for grant of—

to refugees from Pakistan

Previous pps in file R 39 II pt. U.

Subsequent R 39 II pt. W.

B Dept
88 23/3/50

(1) 3/(E)
A. 4

No.R/Accts/Loan/8629
Directorate of Rehabilitation,
Queen's Barracks, Government of Bombay
Bombay-I 5th March 1950

From

The Director of Rehabilitation.
Government of Bombay,
BOMBAY.

The Joint Secretary to the Government of Bombay,
Rehabilitation Department,
BOMBAY.

Subject:- DISPLACED PERSONS BELONGING TO URBAN AREAS IN PAKISTAN-GRANT OF LOAN TO-SCHEMES FOR.

I forward herewith copies of para IV and X(2) of the Examiner, Outside Audit, Bombay's tour note regarding obtaining sureties etc. from the borrowers and invite a reference to clause (8) of the accompaniment to Government Resolution, Political and Services Department's No.W. 653-XXV, dated 4th March 1948 received with Government Resolution ~~Resolution~~ Relief and Rehabilitation Department's No. 39-B, dated 27th December 1948 and Government Rehabilitation Department's Circular Memorandum No. R-39-B dated 31st August 1949.

2. As the orders of Government are at Variance with the observations of the Examiner, I request that clear orders regarding the nature of sureties to be obtained from the borrowers may kindly be issued.

DIRECTOR OF REHABILITATION,
Government of Bombay.

Extracts of para IV and X (2) of the Examiner's tour note.

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(iv) Non-verification of the status of the sureties:-

The sureties offered by the borrowers are residents of the camp, owing no immovable properties, they themselves being displaced persons. It is not therefore, known if it would be possible to recover any amount of the loan from them in the event of default or misuse of the loan on the part of the borrower. Further, in several cases, the sureties themselves have obtained loans with the borrower standing as a surety for them. Three persons combining together can thereby obtain a loan of 3,000/- for themselves, each standing as a surety for the other. The very object of obtaining sureties is thus frustrated.

X (2) See that the sureties are respectable persons who are solvent and they have sufficient resources to enable Government to recover the loans from them in case of necessity

To

The Director of Rehabilitation, Bombay.

No. R.39/9278-B Bombay Castle 7th April 1950

Subject:- Displaced person belonging to urban areas in Pakistan Government of loans to - Scheme for obtaining of sureties

Reference your letter no. R/Accts/Loan 8629, dated the 6th March 1950.

2. The orders contained in clause 8 of the accompaniment to Government Reference P & S.D.,/ no D 653 XXV dated th e 4th March 1948 have subsequently been relaxed xi vide para 3 of G.N., P & S.D. no D 653 XXV, dated the 23rd April 1948 and only declarations regarding good behaviour and post solvency were required to be taken subsequently under G.R., R. & R.D. no R. 39-B, dated the 27the December 1948 it has been prescribed that two solvent sureties should be taken wherever such can be produced. The condition regarding production of solvent sureties is therefore reaxable in cares where such sureties cannot be produced. The orders contained in this Department in memorandum, no. R-39-B dated the 31st August 1949 conform to the policy laid down in the G.R., R. & R.D. no R. 39-B, dated the 27the December 1948. The above position may be explained to the Examiner outside Audit.

Assistant Secretary to the
Government of Bombay.
Rehabilitation Department.